

Sharing What We've Learned: A Blueprint for Businesses

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A Note from Rodney

As America's grocer, we have taken extensive measures across our business to safeguard our associates and customers throughout the COVID-19 pandemic.

Our stores are at the center of our communities and face a higher rate of exposure than most Americans. But as an essential business, we've learned how to operate safe and open environments in retail stores, food production facilities, and distribution centers.

Our Purpose is to Feed the Human Spirit, which means we are driven to do more and help make the lives of those around us better.

During this time, we have also held true to Our Values of integrity, honesty, diversity, inclusion, safety and respect. To live Our Values means we lead by example even when it's hard, encourage collaboration and active involvement with everyone, and ensure our associates and customers feel valued and safe.

As an extension of Our Values, we decided early on to be transparent - share what we've learned, what went well and where we could improve.

We learned a lot from others as well – many companies and government officials have partnered with us to share valuable insights. And we learned that being proactive in our decision making helped us keep our business open safely and continue to do our part to flatten the curve.

In the same spirit, we want to share what we've learned and best practices with other businesses, so they can take steps now to develop protocols and procedures to reopen safely and continue to flatten the curve.

This first installment of Sharing What We've Learned: A Blueprint for Businesses includes recommendations, insights, best practices and downloadable creative assets to help businesses navigate the next phase of this unprecedented pandemic. We will continue to update the Blueprint in the coming days and weeks, providing additional resources, tools and templates for other industries to leverage.

We recognize that not all businesses are the same. What worked for us may not work for you. And while there is no "one thing" that makes all the difference, taking a holistic approach to safety will lead to better outcomes.

And importantly, working together, we can all support our communities and help reopen businesses safely.

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Rodney McMullen Chairman and CEO Kroger



Section 1 Retail Operations





Flattening the Curve in Retail Stores

As America's grocer, we've spent the past six weeks focused on actions to help slow the spread across our footprint of nearly 2,800 retail stores.

In every decision we make, we strive to balance our most urgent mission—to provide a safe environment for our employees and customers—with being here for our communities when they need us most.

To help other retailers prepare to safely reopen their doors to customers, we're sharing the steps we've taken in our stores to promote physical distancing, enhance cleaning procedures, encourage healthy habits and more.

Click here to download signage and audio files.

Healthy Habits

As the crisis evolved, so did our methods. However, the safety of our employees and customers has remained the number one priority when making business decisions throughout the pandemic. This often meant being flexible to quickly adapt to new ways of working. At other times, it meant a refresher on the basics, including proper handwashing techniques and other hygiene practices. You can follow the tips below to promote healthy habits in your facilities:

Educating Employees

We all know we should wash our hands often throughout the day, but when we get busy at work, a quick reminder is always helpful. Regularly encourage employees to practice hygiene recommendations from the CDC and other government agencies through your communication channels. Here are few options to consider:

- Post signage at time clocks, in breakrooms and employee restrooms about the importance of following healthy habits.
- Prepare huddle guides or talking points for leaders to use that encourage employees to follow recommended hygiene practices.
- Also, don't underestimate the power of your external messages to reach your employees as well.

- What internal and external channels do you have to reach employees and customers?
- What tools do leaders need to reinforce these behaviors with their teams?





Educating Customers and Visitors

Employees often aren't the only ones in your locations. You may have customers, vendors or other guests who should take steps to protect others. Here are some ways you can reinforce healthy habits for anyone – including employees – who enter your facilities:

 If you have <u>in-store audio messaging</u> capability, consider using it to remind employees and customers to follow physical distancing and hygiene guidance published by the CDC.

Adapt along the way: We originally had messaging played every 30 minutes, but as customers reduced their time spent in stores, we moved to every 15 minutes to ensure we could reach all of our customers during their shopping trip.

- Post signs at entrances notifying customers to STOP if they are sick and ask them not to enter our stores.
- Increase the availability of hand sanitizer, wipes and cleaning of frequently touched surfaces (including carts) for both customers and employees.

Create a plan for how you will acquire and distribute these items. Sourcing of supplies can be a challenge in the current environment. If supplies are in short supply, consider adding an employee to sanitize cart or frequent touch points during all hours of operation.

Consider this...

• Do you have proper signage to ensure employees and customers know what's expected?



Educating Customers and Visitors continued...

- Add labor to cover additional breaks for employees to wash hands and sanitize stations regularly, including registers, hand-held devices, credit card terminals, food service counters, door handles, conveyor belts, restrooms, shelves and other surfaces.
- Consider suspending or modifying your return policy.
 - Kroger has temporarily halted returns. We continue to make it right for customers if a product is defective or falls under our Fresh Guarantee.

- Encourage customers to clean their reusable bags frequently through in-store signage
 - Guided by evidence suggesting likelihood of disease transmission through reusable bags is low, and also by our Zero Hunger | Zero Waste social impact plan principles, we decided to continue permitting reusable bags.
 - However, to keep employees safe, we ask customers to bag their own purchases if they choose to use reusable bags and encourage frequent cleaning of bags.







Encouraging Physical Distancing

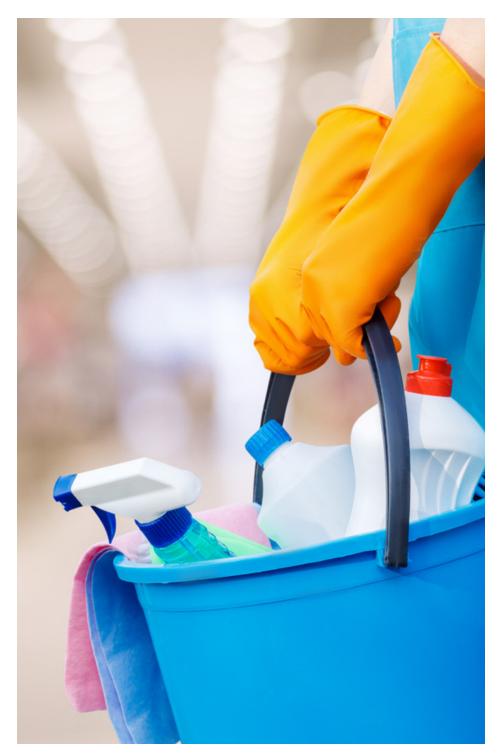
Beyond good hygiene, all of us - employees, customers and leaders - are encouraged to maintain a six-foot physical distance from others to reduce the spread of illness. Being open to the public can make it hard for customers and employees to keep a safe distance. These actions can help:

- Install protective plexiglass screens at service counters, including checkouts.
- Display signage at entrances, check lanes and registers to remind customers of physical distancing at every opportunity.
- Promote physical distancing where customers may linger by adding floor decals at registers and service counters, placing signage on patio and furniture displays, and limiting waiting areas.
- Close in-store bars or public sitting areas.

- Discontinue sampling.
- Close self-serve bars (salad, olive, bakery, candy bars, etc.) and bulk-bin options.
- Close fitting rooms or limit capacity.
- Adopt capacity limits based on the size of your facility, and be prepared to queue customers outside while still maintaining physical distance.

- Do you have available technology to help with monitoring capacity limits? If not, prepare for labor to physically monitor traffic in and out of stores.
- Are there spaces in your store or facility where people tend to congregate? What steps can be taken to reduce the number of people in those areas?





Step Up Cleaning Procedures

Maintaining a clean work environment will help control the exposure and spread of COVID-19. Consider how these practices can help keep your business sanitized and clean:

- Enhance your daily sanitation practices, including registers, hand-held devices, credit card terminals, food service counters, door handles, conveyor belts, restrooms, shelves and other surfaces.
- Assign dedicated employee to wipe down carts with sanitizer and paper towels in the lobby during store hours.
- Assign extra staff to allow for frequent hand-washing rotation for front-end employees.
- Clean and stock bathrooms more frequently.
- Instruct employees to wipe down equipment, including pallet jacks, ladders and supply carts, between every use.
- Procure options for third-party cleaning companies to assist with the increased cleaning demand as needed.

- Are extra staff or outside vendors needed to meet the new cleaning demands?
- What steps can you take now to procure supplies, including masks, wipes, sanitizer and cleaning supplies?



Adjust Hours to Support Healthy Habits

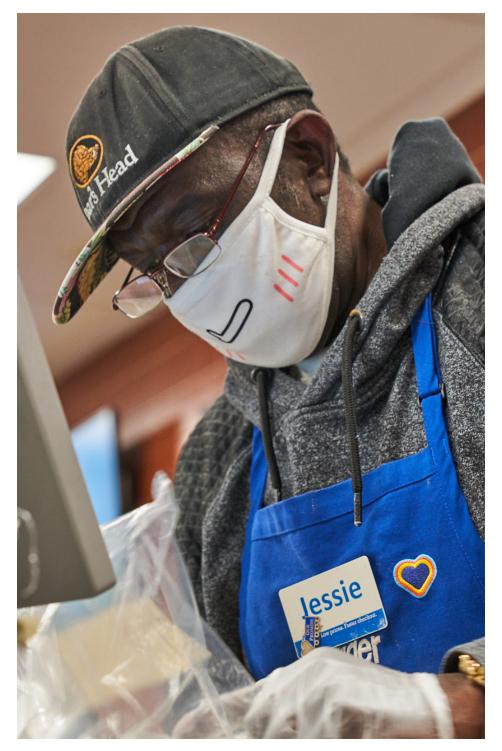
Long hours serving customers along with heightened cleaning guidelines can lead to exhausted teams. Consider adjusting your operating hours, balancing the needs of your employees and your customers. We adjusted our hours and here are benefits we realized:

- Employees had more time to rest, clean and replenish inventory.
- We were able to offer exclusive early hours for seniors (60+) and other higher-risk individuals.

We were able to increase Pickup hours to serve more online customers, promote physical distancing and reduce the size of crowds in store.

Consider this...

• Would altering your hours of operation create benefits for your teams?



Employee Safety

Keeping your teams safe and healthy is a critical priority to ensure your business remains open. Without a healthy, trained staff, you'll struggle to meet the needs of your customers. In addition to supporting physical distancing and heightened sanitation, which protect everyone in your facilities, here are few tips focused specifically on keeping your employees safe while working.

Encourage Personal Protective Equipment

Personal Protective Equipment (PPE), including facial coverings, masks and gloves, can be useful in reducing the spread of illnesses. Our "new normal" likely means that these items will become a common, even expected, sight in public places for some time to come. Here are a few recommendations related to PPE:

- Encourage employees to use masks or approved facial coverings and gloves while working and provide them if you can. If you allow employees to bring their own, be clear about what is appropriate.
- Make sure team members know how to properly use and safely dispose of these items.
- Knowing that these items alone are not enough, educate employees on good personal hygiene and other healthy habits like hand-washing that can make PPE more effective. Review the Healthy Habits section for more details.

Consider this...

• Are you able to provide PPE on a consistent basis? If not, will you allow employees to wear their own?

Monitor and Support Employee Health

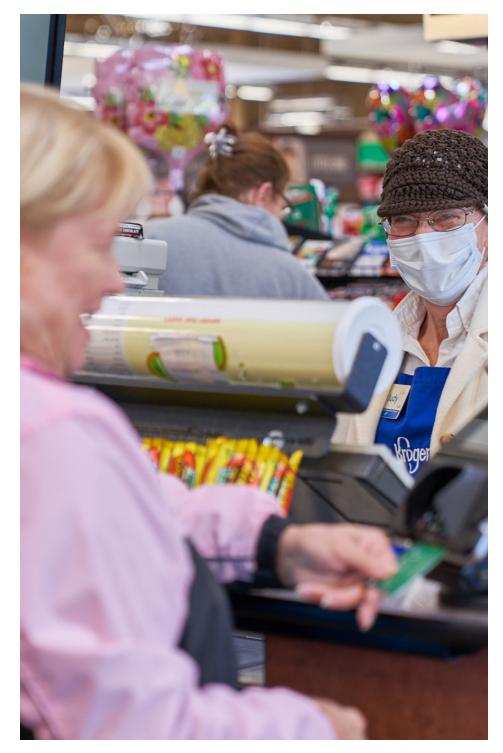
Employees should only be working if they are healthy and symptom free. There are steps you can take to encourage employees to protect others by taking care of themselves, including:

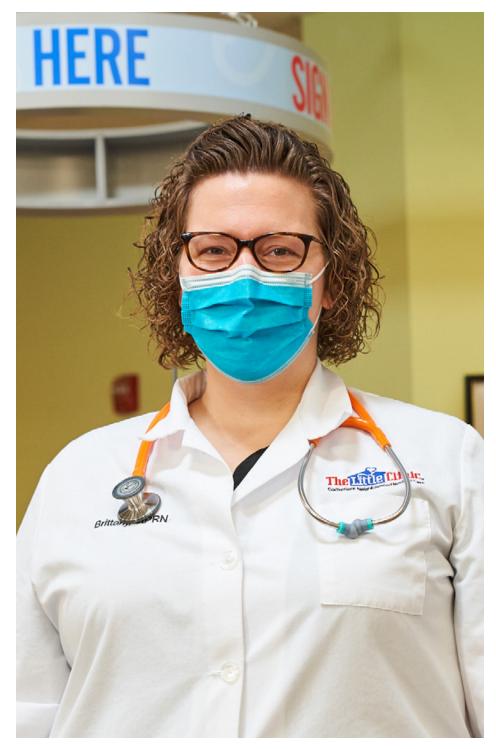
- Checking temperature at the beginning of each shift requires a fair amount of coordination so be sure to have a fully thought out protocol before beginning this process. Make sure to consider the equipment needed. role and safety of staff performing the checks, employee privacy and protocol for when elevated temperatures are discovered.
- Encourage employees who feel sick to stay home. Consider revising paid time off options to support this behavior.

While Kroger was quick to offer Emergency Leave Guidelines to affected employees at the start of the pandemic, we learned early on that extending the same coverage to employees experiencing symptoms was necessary to ensure they felt supported in prioritizing their health and updated our policy as such.

Have a well-defined protocol for employees who may be ill or who have been exposed.

- Can you cross-train employees to work in different areas if needed due to illness or to meet demands in other areas?
- What steps can you take now to be able to perform temperature checks on site?





Prepare Employees for Difficult Situations

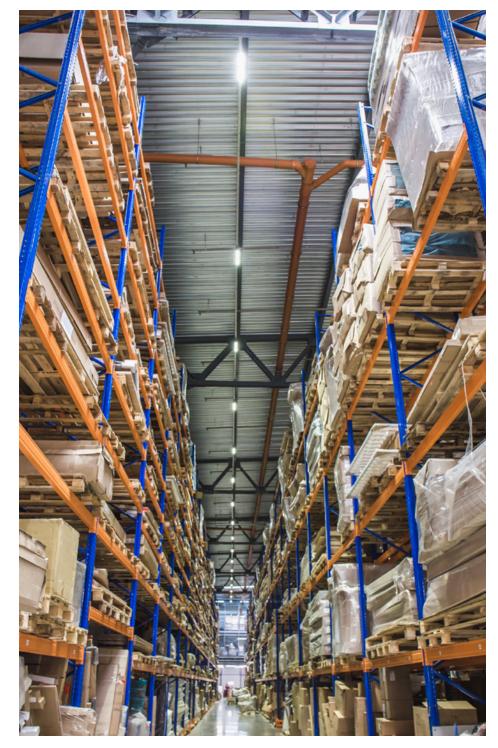
In many ways, the pandemic has brought out the best in people, but the stress and fear can lead some to be confrontational. Prepare your employees to respond to these situations carefully to help ensure their safety. We prepared de-escalation tips for our employees and our store leaders, as well as ensured our leaders had talking points to use when communicating COVID-19 information to their teams, vendors and customers.

Ensure Easy Access to Information

Employees must be aware of the latest safety protocol in order to follow it. Regular communications and easy-toaccess resource documents will help ensure your guidelines are understood and followed.

Consider this...

• What steps can you take now to communicate and train employees and leaders on new safety procedures?



Vendor and Visitor Safety

Managing the safety of non-employees in your workplace presents a different set of challenges. In addition to the education and cleaning actions explained previously, here are a few steps to help protect your employees and others who may enter your facilities.

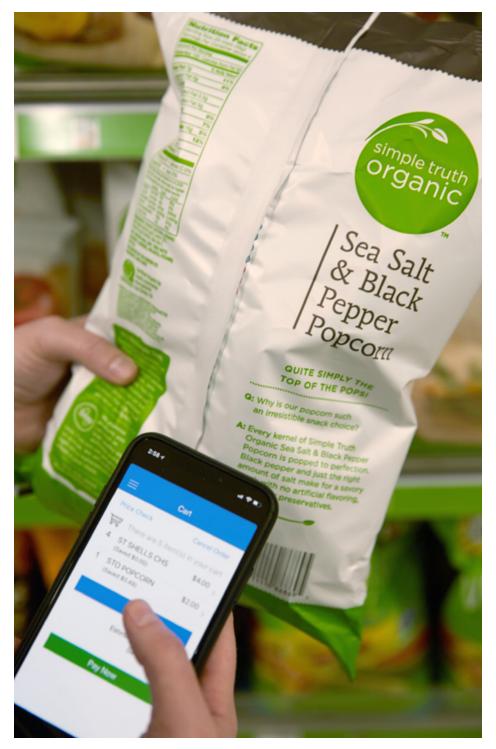
Office Locations

- Temporarily suspend visitors from all office locations unless business critical.
- Suspend business travel and encourage the use of digital meetings where possible.
- Encourage those who can successfully perform their work from home to do so until further notice.

Retail or Other Locations

- Temporarily suspend all non-employee truck drivers from entering stores, warehouses and manufacturing plants.
- Move to contactless signatures for deliveries.
- Expand direct store delivery window to spread out deliveries and prevent overcrowding.
- Ask vendors who are required to enter your locations to have their employees follow the guidance of local, state and federal governments in regard to wearing masks and other PPE equipment.

- Who are regular visitors or vendors in our locations?
- How can we adjust our business to limit direct contact with them?



Embrace Digital Options

Digital capabilities allow us to maximize physical distancing practices, utilize contactless transactions and continue to provide an excellent shopping experience. Evaluate your business model and available technology to see where you can increase your digital presence and increase contactless payment options. Here are some options to consider:

Contactless Payments

Technology solutions are available to minimize the contact your customers have when completing purchases. Consider leveraging your own technology like Kroger Pay or third-party services, to allow customers to shop and pay without touching a pin pad or handling cash. Also, if you have self-checkout at your locations already, consider increasing availability or support staff to allow more customers to check out independently.

Consider this...

• If you don't already have this capability, are there third-party vendors who can quickly provide virtual services for your business?



Alternative Ways to Get Purchases

Along the same lines as contactless payments, consider options for customers to do their shopping and get their purchases with minimal contact, including pickup and delivery. If available, these suggestions can help support digital options:

- Offer free or reduced fees on pickup or delivery services.
- Encourage employees to practice physical distancing during pickup and delivery by talking with the customer through a passenger window, loading items directly into the customer's trunk without contact, or leaving items at their door.

- Be prepared for demand and adjust online availability if items become unavailable or place limits if appropriate.
- Make some locations pickup or delivery only to minimize employee/customer contact.

- How will your staffing need to change based on virtual offerings?
- Is there additional training that employees or leaders will need to support these options?
- How will you respond to long wait times or product availability issues?





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